

North Hill

Background:

Several competing proposals were received, including submissions from the local developer which submitted the original, unsolicited proposal, and from CHPPENN I, LLC, a partnership between Community Housing Partners, Inc. and Pennrose Company.

The CHPPENN proposal was determined by the staff Selection Advisory Committee to be the most responsive to the Request for Competing Proposals.

CHPPENN is a partnership between Virginia based Community Housing Partners (CHP) and Pennrose, the largest developer of affordable housing in the nation.

CHPPENN has proposed, among other things, to:

- Construct 329 multi-family rental units in two separate, high quality, urban designed buildings with structured parking; Rents: 36 units @ 30% AMI, 64 @ 50% AMI, 201 @ 60% AMI;
- Construct 144 for-sale townhomes, a portion of which will offer affordability below market rate prices for first time home buyers;
- Preserve the undeveloped balance of the property for park land;
- Pay \$7,000,000 to the FCRHA for the portion of the property that will contain the for-sale townhomes and pay an annual ground lease payment of \$190,000 for the land area proposed to contain the multi-family buildings;
- Meet the affordability provisions stipulated in the Request for Competing Proposals' criteria.

Proposed Interim Agreement:

The proposed Interim Agreement will provide CHPPENN with a feasibility period of 90 days, during which the Developer can initiate outreach and conduct due diligence to gauge whether to further pursue the proposed project with the FCRHA.

If the Developer chooses to proceed with the project, a Comprehensive Plan amendment and the negotiation of one or more additional agreements, including a Master Development Agreement, would be required before the transfer of the property could take place and development would begin.

Next Steps:

- Public Hearing on Interim Agreement was held on January 29th
- RHA Board decision on Interim Agreement scheduled for March 19
- Feasibility 90 day Period from March 20 to June 20, 2015